

STATE OF MONTANA
DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION
MINUTES OF THE
BOARD OF OIL AND GAS CONSERVATION MEETING AND PUBLIC HEARING
June 5th and 6th, 2013

CALL TO ORDER

The regular business meeting of the Montana Board of Oil and Gas Conservation was called to order by Chairman Linda Nelson at 2:00 p.m., Wednesday, June 5, 2013 in the Board's hearing room at its office at 2535 St. Johns Avenue in Billings, Montana. Board members present were Chairman Nelson, Vice Chairman Wayne Smith, Ron Efta, John Evans, Jack King and Bret Smelser. Staff present were Jim Halvorson, George Hudak, Terri Perrigo, Tom Richmond, Steve Sasaki and Rob Stutz.

APPROVAL OF MINUTES

A motion was made by Mr. King, seconded by Mr. Efta and unanimously passed, to approve the minutes of the April 24, 2013 business meeting.

PUBLIC COMMENT

There was no public comment.

STICKVILLE TRUST REQUEST FOR REHEARING ON DOCKETS 217-2013 AND 220-2013

Stickville Trust withdrew its request for rehearing on the Dockets 217 and 220-2013. An email from Pat and Cory Wheeler, trustees of of Stickville Trust, is attached as Exhibit 1.

FINANCIAL REPORT

Ms. Perrigo distributed and discussed the financial report attached as Exhibit 2. She said the Governor's budget office suggested the Board obligate current education project contracts for next biennium and accrue the funds out of the 2013 appropriation.

The budget office also suggested that the MT Department of Fish, Wildlife and Parks (FWP) apply for an education grant from the Board for the Sage Grouse Commission which was established by the 2013 Legislature and meets twice a month until October. Mr. Richmond discussed this with the Director of FWP and agreed that the Board would pay half the cost (\$37,500) of funding the commission. Mr. Richmond also heard the budget office told the MT Salinity Council to ask the Board for a grant to buy a drilling rig.

BOND AND DOCKET SUMMARY

Mr. Halvorson distributed and discussed the bond summary, attached as Exhibit 3. He also discussed the docket summary attached as Exhibit 4.

STAFF REPORTS

Chief Field Inspector Sasaki distributed and discussed the grant-funded well plugging projects. A summary is attached as Exhibit 5.

Mr. Sasaki has a request from Mountain Pacific General, Inc. to change the four wells it agreed to plug by the Board's August 2013 hearing date (which was ordered in Board Order 364-2012). Mountain Pacific would like to substitute three different nonproductive wells for the ones they agreed to plug; and also to count the movement of the Tomayer 42-29 well to a domestic gas well bond as the fourth well. Mr. Sasaki has no problem with the request and noted the Tomayer's have an existing domestic well bond that the Tomayer 42-29 well will be moved to. The Board agreed to the request which is summarized on Exhibit 6, along with documentation of the Tomayer well and bond.

UIC Director George Hudak gave an update on the Denbury CO2 project. They turned six wells into CO2 injectors last week. They had expected to get their pipeline operational in January. However, they ran into some problems and now hope it will be operational by July.

Administrator Tom Richmond has received 11 flaring requests, which are summarized below and attached as Exhibit 7. They all ask to continue excess flaring (over 100 mcf/day) at specified wells beyond the 60-day test period. They are for newly completed Bakken wells and a couple of newly completed Red River wells. With a few exceptions the wells will be up as soon as possible.

Seven of the requests are from Oasis: 1) Dianne Federal 2658 42-22H in Richland County; 2) Stilt Federal 2658 42-22H in Richland County; 3) Carl Federal 2658 43-23H in Richland County; 4) Otis 2658 43-23H in Richland County; 5) Loki 2658 12-25H in Richland County; 6) Betsy Federal 2758 24-29H in Roosevelt County; and 7) Sam 2858 12-17H in Richland County.

Three of the requests are from Petro-Hunt: 1) the Boje Farms 19-54-17D-20-1H in Dawson County; 2) Borntrager 2C-2-1 in Dawson County; and 3) Walter Senner 19-54-18D-2-1 in Dawson County.

The final request is from Brigham for the Willard 19-18 #1H well in Roosevelt County.

Mr. Richmond recommends a six (6) month extension for PetroHunt and Oasis because either production will decline and they will have no need to flare or the wells will be hooked up. The one from Brigham, they may have problems obtaining a right-of-way so they may not get hooked up. He recommends six months for Brigham too, but the Board may want to revisit this in December.

Mr. Smelser asked if anyone has called regarding gas flaring. Mr. Richmond said no, but not a large volume is being flared.

Mr. King said there are a lot of people bothered about flaring. Anything the Board can do to prod operators to hook up is good. The Board needs to make sure no mischief is going on.

Mr. Richmond said the Board got a lot of excess flaring requests in the early Elm Coulee days when the oilfield grew faster than the infrastructure. The Board accomplished a lot by just having companies come report, and it seems to have worked. That is why he thinks six months is as far out as he is willing to go.

MOTION: Six (6) month flaring extension for all the aforementioned wells, but revisit Brigham request in Dec 2013. Motion made by Mr. Smelser, seconded by Mr. Smith and unanimously passed. Mr. King recused himself.

Mr. Richmond discussed positions. He recommends recruiting for the new compliance officer position as soon as possible. He is looking for someone who is responsible for the compliance program, mostly in regard to field inspections. Progress is being made on the field inspection manual project, and part of that puzzle is someone to track and someone to keep consistency. He had a final discussion with the Legislative Auditor and they are about to sign off on the audit. The Audit Committee meeting is next week and we will probably be on the agenda for follow-up.

The Chief Field Inspector and other staff are thinking about retirement. Those positions will need to be refilled as soon as possible. The Helena office administrative support position is being reclassified to reflect the higher-level purchasing, hearing and accounting duties now being performed.

Mr. Richmond discussed the IT issue regarding the Board's database. Oil & Gas Division ended up paying for RBDMS database documentation for the DNRC IT bureau. He is still not sure how the structure of DNRC IT will be in the future. A lot of the concern(s) were tied to Mary Sexton. Tom is not sure the new director will be so focused that way. There is a certain level of revisiting all that with new administration. He is not sure where are going, but he is certain we have made enough progress to satisfy the Legislative Auditor.

MOTION: Fill compliance officer as soon as possible and reclassify the Helena office position to reflect higher level duties. Motion made by Mr. Smelser, seconded by Mr. King and unanimously passed.

Mr. Richmond said Greg Bervy asked for the definition of a commercial producer. The Board's attorney Rob Stutz does not believe this issue has come before the Board previously. His advice is to let the parties explain their positions if it does come up. Mr. Richmond said the danger of trying to define commercial production is that it could take the Board down the path of HBP (held by production), and he is not sure the Board should go there. In this case, the operator is asking for permanent spacing for wells Mr. Bervy does not think are commercial. Mr. Efta said the definition of commercial producer would be a district court matter. Attorney Dick Beatty said the Supreme Court has defined commercial production on a number of occasions. (i.e. Risk vs. Toole Co in the 1920's and Somont recently.) He said production in commercial quantities has been defined as the amount that is capable of generating one penny more than the cost of producing.

Chairman Linda Nelson reported that Governor Bullock has yet to appoint a board member to represent the public. The one he appointed during the legislative session failed to gain approval of the Senate.

With no further business, the business meeting adjourned at 3:15 pm.

PUBLIC HEARING

The Board reconvened on Thursday, June 6, 2013 at 8:00 a.m. in the Board's hearing room at its office at the 2535 St. Johns Avenue in Billings Montana, to hear the matters docketed for public hearing. As a result of the discussion, testimony and technical data placed before the Board, the following action was taken in each matter.

Docket No. 223-2013 & 10-2013 FED – The application of Anschutz Exploration Corporation was withdrawn.

Docket No. 224-2013– The application of Denbury Resources Inc. was continued to the August 2013 hearing.

Docket No. 225-2013– The application of Denbury Resources Inc. was continued to the August 2013 hearing.

Docket No. 226-2013– The application of Denbury Resources Inc. was continued to the August 2013 hearing.

Docket No. 227-2013 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 214-2013. Board member Jack King recused himself.

Docket No. 228-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 215-2013. Board member Jack King recused himself.

Docket No. 229-2013– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 230-2013– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 231-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 216-2013. Board member Jack King recused himself.

Docket No. 232-2013 – A motion was made by Mr. Evans, seconded by Mr. Smesler and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 217-2013. Board member Jack King recused himself.

Docket No. 233-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 218-2013. Board member Jack King recused himself.

Docket No. 234-2013 – A motion was made by Mr. Efta, seconded by Mr. King and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 219-2013. Board member Jack King recused himself.

Docket No. 235-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 220-2013. Board member Jack King recused himself.

Docket No. 236-2013 – A motion was made by Mr. Evans, seconded by Mr. Smelser and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 221-2013. Board member Jack King recused himself.

Docket No. 237-2013 – A motion was made by Mr. Evans, seconded by Mr. Smelser and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 222-2013. Board member Jack King recused himself.

Docket No. 238-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 223-2013.

Docket No. 239-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 224-2013.

Docket No. 240-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 225-2013.

Docket No. 241-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 226-2013.

Docket No. 242-2013 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 227-2013.

Docket No. 243-2013– The application of Oasis Petroleum, Inc. was withdrawn.

Docket No. 244-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 228-2013.

Docket No. 245-2013– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 246-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 231-2013.

Docket No. 247-2013 – A motion was made by Mr. Evans, seconded by Mr. Efta and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 232-2013.

Docket No. 248-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 233-2013.

Docket No. 249-2013– The application of Slawson Exploration Company, Inc. was continued to the August 2013 hearing.

Docket No. 250-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 234-2013.

Docket No. 251-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 235-2013.

Docket No. 252-2013– The application of Slawson Exploration Company, Inc. was continued to the August 2013 hearing.

Docket No. 253-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 236-2013.

Docket No. 254-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 237-2013. Vice-Chairman Wayne Smith recused himself.

Docket No. 255-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 238-2013.

Docket No. 256-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 239-2013.

Docket No. 257-2013 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 240-2013.

Docket No. 258-2013 – A motion was made by Mr. Smelser, seconded by Mr. Smith and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 241-2013. Board member Jack King recused himself.

Docket No. 259-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 242-2013. Board member Jack King recused himself.

Docket No. 260-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Onshore Holdings LLC was approved as set forth in Board Order 298-2013.

Docket No. 261-2013 – A motion was made by Mr. Smelser, seconded by Mr. King and unanimously passed, to approve the application of Summit Gas Resources, Inc. as set forth in Board Order 244-2013.

Docket No. 262-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Summit Gas Resources, Inc. as set forth in Board Order 246-2013.

Docket No. 263-2013 – A motion was made by Mr. Smelser, seconded by Mr. King and unanimously passed, to approve the application of Summit Gas Resources, Inc. as set forth in Board Order 245-2013.

Docket No. 264-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Summit Gas Resources, Inc. as set forth in Board Order 247-2013.

Docket No. 265-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 248-2013.

Docket No. 266-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 249-2013.

Docket No. 267-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 250-2013.

Docket No. 268-2013 – A motion was made by Mr. Smith, seconded by Mr. Evans and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 251-2013.

Docket No. 269-2013 – A motion was made by Mr. King, seconded by Mr. Efta and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 252-2013.

Docket No. 270-2013– The application of EOG Resources, Inc. was withdrawn.

Docket No. 271-2013 – A motion was made by Mr. King, seconded by Mr. Efta and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 253-2013.

Docket No. 272-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 257-2013. Board member Jack King recused himself.

Docket No. 273-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 258-2013. Board member Jack King recused himself.

Docket No. 274-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 259-2013. Board member Jack King recused himself.

Docket No. 275-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 260-2013. Vice Chairman Wayne Smith recused himself.

Docket No. 276-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 261-2013. Vice Chairman Wayne Smith recused himself.

Docket No. 277-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 262-2013. Vice Chairman Wayne Smith recused himself.

Docket No. 278-2013 – A motion was made by Mr. King, seconded by Mr. Evans and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 263-2013. Vice Chairman Wayne Smith recused himself.

Docket No. 279-2013 – A motion was made by Mr. King, seconded by Mr. Evans and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 264-2013. Vice Chairman, Wayne Smith, recused himself.

Docket No. 280-2013 – A motion was made by Mr. King, seconded by Mr. Evans and unanimously passed, to approve the application of Whiting Oil and Gas Corporation as set forth in Board Order 265-2013. Vice Chairman Wayne Smith recused himself.

Docket No. 281-2013– The application of A.B. Energy LLC was withdrawn.

Docket No. 282-2013 & 11-2013 FED – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Oasis Petroleum, Inc. was approved as set forth in Board Order 299-2013.

Docket No. 283-2013– The application of Wesco Operating, Inc. was continued to the August 2013 hearing.

Docket No. 284-2013 – A motion was made by Mr. Smelser, seconded by Mr. King and unanimously passed, to approve the application of MCR, LLC as set forth in Board Order 266-2013.

Docket No. 285-2013 – A motion was made by Mr. Smelser, seconded by Mr. King and unanimously passed, to approve the application of MCR, LLC as set forth in Board Order 267-2013.

Docket No. 286-2013– The application of Statoil Oil & Gas LP was continued to the August 2013 hearing.

Docket No. 287-2013– The application of Statoil Oil & Gas LP was continued to the August 2013 hearing.

Docket No. 288-2013– The application of Statoil Oil & Gas LP was continued to the August 2013 hearing.

Docket No. 289-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Baldwin Lynch Energy Corp. was approved as set forth in Board Order 300-2013.

Docket No. 290-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Baldwin Lynch Energy Corp. was approved as set forth in Board Order 301-2013.

Docket No. 291-2013 – A motion was made by Mr. Smith, seconded by Mr. King and unanimously passed, to approve the application of Armstrong Operating, Inc. as set forth in Board Order 268-2013.

Docket No. 292-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 269-2013.

Docket No. 293-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 270-2013.

Docket No. 294-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 271-2013.

Docket No. 295-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 272-2013.

Docket No. 296-2013 – A motion was made by Mr. Evans, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 273-2013.

Docket No. 297-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 274-2013.

Docket No. 298-2013 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 275-2013.

Docket No. 299-2013 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 276-2013.

Docket No. 300-2013 – A motion was made by Mr. Smith, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 277-2013.

Docket No. 301-2013 – A motion was made by Mr. Evans, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 278-2013.

Docket No. 302-2013 – A motion was made by Mr. Evans, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 279-2013.

Docket No. 303-2013 – A motion was made by Mr. Evans, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 280-2013.

Docket No. 304-2013– The application of Continental Resources, Inc. was continued to the August 2013 hearing.

Docket No. 305-2013– The application of Continental Resources, Inc. was continued to the August 2013 hearing.

Docket No. 306-2013– The application of Continental Resources, Inc. was continued to the August 2013 hearing.

Docket No. 307-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 281-2013.

Docket No. 308-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 282-2013.

Docket No. 309-2013 – A motion was made by Mr. Smelser, seconded by Mr. Efta and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 283-2013.

Docket No. 310-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 284-2013.

Docket No. 311-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 285-2013.

Docket No. 312-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 286-2013.

Docket No. 313-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 302-2013.

Docket No. 314-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 303-2013.

Docket No. 315-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 304-2013.

Docket No. 316-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 305-2013.

Docket No. 317-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 306-2013.

Docket No. 318-2013 – A motion was made by Mr. Efta, seconded by Mr. King and unanimously passed, to approve the application of Continental Resources, Inc. as set forth in Board Order 287-2013.

Docket No. 319-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 307-2013.

Docket No. 320-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 308-2013.

Docket No. 321-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 309-2013.

Docket No. 322-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 310-2013.

Docket No. 323-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 311-2013.

Docket No. 324-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 312-2013.

Docket No. 325-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 313-2013.

Docket No. 326-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 314-2013.

Docket No. 327-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 315-2013.

Docket No. 328-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 316-2013.

Docket No. 329-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of Continental Resources, Inc. was approved as set forth in Board Order 317-2013.

Docket No. 330-2013– The application of ECA Holdings, L.P. was continued to the August 2013 hearing.

Docket No. 331-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 291-2013.

Docket No. 332-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 293-2013.

Docket No. 333-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 295-2013.

Docket No. 334-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 289-2013.

Docket No. 335-2013 – A motion was made by Mr. Smith, seconded by Mr. King and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 297-2013.

Docket No. 336-2013– The application of Stickville Trust was withdrawn.

Docket No. 476-2012– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 536-2012– The application of Marathon Oil Corporation was continued to the August 2013 hearing.

Docket No. 715-2012– The application of Apache Western Exploration LLC was withdrawn.

Docket No. 736-2012– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 737-2012– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 738-2012– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 746-2012– The application of Oasis Petroleum, Inc. was continued to the August 2013 hearing.

Docket No. 36-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 229-2013. Board member Jack King recused himself.

Docket No. 37-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of Oasis Petroleum, Inc. as set forth in Board Order 230-2013. Board member Jack King recused himself.

Docket No. 39-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 254-2013.

Docket No. 40-2013 – A motion was made by Mr. Efta, seconded by Mr. Smelser and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 255-2013.

Docket No. 41-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of EOG Resources, Inc. as set forth in Board Order 256-2013.

Docket No. 105-2013 – A motion was made by Mr. Smelser, seconded by Mr. Evans and unanimously passed, to approve the application of Slawson Exploration Company, Inc. as set forth in Board Order 243-2013.

Docket No. 112-2013– The application of Apache Western Exploration LLC was withdrawn.

Docket No. 174-2013– The application of XTO Energy Inc. was continued to the August 2013 hearing.

Docket No. 176-2013– The application of XTO Energy Inc. was continued to the August 2013 hearing.

Docket No. 200-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of GreenHunter Water, LLC was approved as set forth in Board Order 318-2013.

Docket No. 201-2013 – Board staff placed this application on the Default Docket for approval without hearing if no protests or requests for hearing were received by 10:00 a.m. on the day of the hearing. None were received. The application of GreenHunter Water, LLC was approved as set forth in Board Order 319-2013.

Docket No. 205-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 288-2013.

Docket No. 206-2013 & 8-2013 FED – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 290-2013.

Docket No. 207-2013 & 9-2013 FED – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 292-2013.

Docket No. 208-2013 – A motion was made by Mr. King, seconded by Mr. Smelser and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 294-2013.

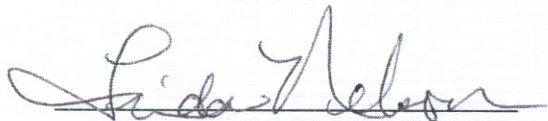
Docket No. 209-2013 – A motion was made by Mr. Smith, seconded by Mr. King and unanimously passed, to approve the application of G3 Operating, LLC as set forth in Board Order 296-2013.

Docket No. 337-2013 – A motion was made by Mr. Smith, seconded by Mr. Smelser and unanimously passed, to forfeit the bond of Native American Energy Group, Inc. as set forth in Board Order 320-2013.

NEXT MEETING

The next business meeting of the Board will be Wednesday, August 7, 2013 at 2:00 p.m. at the Board's hearing room at its office at the 2535 St. Johns Avenue in Billings Montana. The next regular public hearing will be Thursday, August 8, 2013, beginning at 8:00 a.m. at the Board's hearing room at its office at the 2535 St. Johns Avenue in Billings Montana. The filing deadline for the August 8, 2013, public hearing is July 11, 2013.

BOARD OF OIL AND GAS CONSERVATION OF THE STATE OF MONTANA



Linda Nelson, Chairman

Wayne Smith, Vice-Chairman

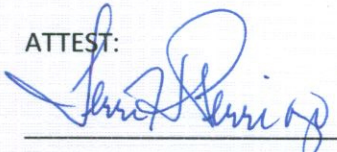
Ronald S. Efta

John Evans

Jack King

Bret Smelser

ATTEST:



Terri H. Perrigo, Executive Secretary